

JOINT INTERNATIONAL TAX SHELTER INFORMATION CENTRE

MEMORANDUM OF UNDERSTANDING

**FOR THE CREATION OF A
JOINT INTERNATIONAL TAX SHELTER INFORMATION CENTRE**

BETWEEN

THE AUSTRALIAN TAXATION OFFICE
(as represented by the Commissioner of Taxation)

AND

THE MINISTER OF NATIONAL REVENUE FOR CANADA
(as represented by the
Commissioner of the Canada Customs and Revenue Agency)

AND

THE INTERNAL REVENUE SERVICE OF THE UNITED STATES OF AMERICA
(as represented by the
Commissioner of Internal Revenue of the United States of America)

AND

THE BOARD OF INLAND REVENUE OF THE UNITED KINGDOM
(as represented by the Deputy Chairman of the Board of Inland Revenue)

AND

THE BOARD OF H.M. CUSTOMS AND EXCISE OF THE UNITED KINGDOM
(as represented by the Director, Tax Practice, H.M. Customs and Excise)

JOINT INTERNATIONAL TAX SHELTER INFORMATION CENTRE

MEMORANDUM OF UNDERSTANDING

The parties agree to the formation of a Joint International Tax Shelter Information Centre (JITSIC) to supplement the ongoing work of tax administrations in identifying and curbing abusive tax avoidance transactions, arrangements, and schemes (hereinafter referred to as abusive tax schemes).

The purpose of JITSIC is to:

- Provide support to the parties through the identification and understanding of abusive tax schemes and those who promote them.
- Share expertise, best practices and experience in tax administration to combat abusive tax schemes.
- Exchange information on abusive tax schemes, in general, and on specific schemes, their promoters, and investors consistent with the provisions of bilateral tax conventions.
- Enable the parties to better address abusive tax schemes promoted by firms and individuals who operate without regard to national borders.

The objectives of JITSIC are to deter promotion of and investment in abusive tax schemes, and through information exchange and knowledge sharing, the parties will:

- Increase public awareness of the potential civil and criminal risks of promoting and investing in abusive tax schemes.
- Share best practices among the parties' tax administrations for identifying and addressing abusive tax schemes.
- Enhance each party's compliance and enforcement efforts through coordinated and "real time" exchanges of tax information consistent with the provisions of bilateral tax conventions.
- Develop new internet search and other techniques for early identification of promoters and investors involved in abusive tax schemes.
- Identify emerging trends and patterns to anticipate new, abusive tax schemes.
- Improve parties' knowledge of techniques used to promote abusive tax schemes cross-border.

JOINT INTERNATIONAL TAX SHELTER INFORMATION CENTRE

MEMORANDUM OF UNDERSTANDING

JITSIC Operations

Personnel: The parties will each appoint officials to JITSIC, trained and experienced in tax examinations as they relate to abusive tax schemes. JITSIC will initially be headquartered in Washington D.C.

Executive Oversight: The parties will create an Executive Steering Group to coordinate, oversee, and evaluate the work of the JITSIC. Meetings will be held periodically in different locations of the parties.

Legal Ability to Exchange Information: Pursuant to the domestic procedures of the parties, the members of JITSIC for that party will be delegated the ability to act as competent authorities for purposes of bilateral exchanges of information.

Review: The parties will conduct an initial review of the JITSIC operations after twelve months.

JOINT INTERNATIONAL TAX SHELTER INFORMATION CENTRE

MEMORANDUM OF UNDERSTANDING

For and on behalf of the Australian Taxation Office

Commissioner of Taxation Date

For and on behalf of the Minister of National Revenue

Commissioner, Canada Customs and Revenue Agency Date

For and on behalf of the United States Internal Revenue Service

Commissioner of the Internal Revenue Service of Date
The United States of America

For and on behalf of the Inland Revenue of the United Kingdom

Deputy Chairman and Commissioner Date
of the U.K. Inland Revenue

For and on behalf of the Board of H.M. Customs and Excise of the United Kingdom

Director, Tax Practice, H.M. Customs and Excise Date
